

EXHIBIT 1

INTRODUCTION

Respondent Ronald Bullard is a member of the Dental Examiners Board for the California Department of Consumer Affairs (the “Department”). He has been a member of the Dental Examiners Board since 1992. As a member of the Dental Examiners Board, Respondent is a designated employee of the Department, as defined in section 82019, subdivision (c) of the Political Reform Act (the “Act”),¹ and in the conflict of interest code for the Department.

Under the Act and the conflict of interest code for the Department, each designated employee of the Department is required to file an annual statement of economic interests by April 1st of each year, unless April 1st falls on a Saturday, Sunday, or official holiday, in which case the filing deadline is extended to the next regular business day.² On the statement of economic interests, the designated employee must disclose his or her reportable economic interests held during the preceding calendar year.

For purposes of this Default Decision and Order, Respondent’s violations of the Act are stated as follows:

COUNT 1: As a designated employee of the California Department of Consumer Affairs, Respondent Ronald Bullard failed to file a 2001 annual statement of economic interests by April 2, 2002, in violation of section 87300 of the Government Code.

COUNT 2: As a designated employee of the California Department of Consumer Affairs, Respondent Ronald Bullard failed to file a 2002 annual statement of economic interests by April 1, 2003, in violation of section 87300 of the Government Code.

STATEMENT OF THE CASE

An enforcement action was initiated against Respondent Ronald Bullard with a Report in Support of a Finding of Probable Cause being served on Respondent by certified mail and regular mail on October 20, 2003. Along with the Report in Support of a Finding of Probable Cause, Respondent was served with documents explaining the administrative enforcement process and informing him that he had 21 days in which to request a probable cause conference with the Executive Director of the Fair Political Practices Commission (the “FPPC”), and to file a written response to the probable cause report, to present any defenses that he may have.

¹ The Political Reform Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in sections 18109 through 18997 of title 2 of the California Code of Regulations. All regulatory references are to title 2, division 6 of the California Code of Regulations, unless otherwise indicated.

² Regulation 18116.

Respondent did not request a probable cause conference or file a written response to the probable cause report. On February 11, 2004, Executive Director Mark Krausse issued an Order Finding Probable Cause, as to each of the two counts alleged in the probable cause report. On February 18, 2004, the Order Finding Probable Cause was served on Respondent by mail.

On May 3, 2004, Respondent was personally served with an Accusation in this matter. Along with the Accusation, Respondent was served with a "Statement to Respondent," which explains the statutory requirement that Respondent must return a Notice of Defense within 15 days or else he will have waived his right to a hearing. Also served on Respondent were two copies of the Notice of Defense form, a copy of the Order Finding Probable Cause, and copies of the relevant portions of the Act.

The Enforcement Division received one contact from the Respondent shortly after he was served with the Accusation. However, Respondent did not file a Notice of Defense within the fifteen-day response period, and there has been no other contact from him.

THE ADMINISTRATIVE PROCEDURE ACT

Pursuant to the California Administrative Procedure Act (the "APA")³, a respondent is entitled to a hearing on the merits of an Accusation if the respondent files a Notice of Defense within 15 days after service of the Accusation. (Section 11506.) The APA further provides that a respondent's failure to file a Notice of Defense within 15 days after service of an Accusation constitutes a waiver of the respondent's right to a hearing. (Section 11506, subdivision (c).) A default decision may be issued if the respondent fails to file a Notice of Defense within 15 days of service of the Accusation (Section 11520, subdivision (a).)

On May 3, 2004, an Accusation in this matter was personally served on Respondent. Proof of service of the Accusation is attached hereto as Attachment A. Along with the Accusation, the Enforcement Division served Respondent with a "Statement to Respondent," which notified him that he could request a hearing on the merits and warned him that, unless he filed a Notice of Defense within fifteen days of service of the Accusation, he would be deemed to have waived his right to a hearing. Respondent has failed to file a Notice of Defense.

SUMMARY OF THE LAW

An express purpose of the Act, as set forth in section 81002, subdivision (c), is to ensure that the assets and income of public officials, that may be materially affected by their official actions, be disclosed, so that conflicts of interest may be avoided.

In furtherance of this purpose, section 87300 requires every agency to adopt and promulgate a conflict of interest code. Section 87302, subdivision (a) provides that an agency's conflict of interest code must specifically designate the employees of the agency who are required to file statements of economic interests, disclosing their reportable investments, business positions, interests in real property, and sources of income. Under section 82019,

³ The California Administrative Procedure Act is contained in Government Code sections 11370 through 11529.

subdivision (c), and section 87302, subdivision (a), the persons who are to be designated in an agency's conflict of interest code are the officers, employees, members, and consultants of the agency, whose position with the agency entails making, or participating in making, governmental decisions that may foreseeably have a material effect on one or more of the person's economic interests.

Section 87302, subdivision (b) provides that an agency's conflict of interest code must require each designated employee to file an annual statement of economic interests, for each year that the employee remains in office, at a time specified in the agency's conflict of interest code, disclosing his or her reportable economic interests held during the preceding calendar year.

Under section 87300, the requirements of an agency's conflict of interest code shall have the force of law, and any violation of those requirements shall be deemed a violation of the Act.

SUMMARY OF THE FACTS

According to records maintained by the Dental Examiners Board, Respondent assumed office as a member of the Dental Examiners Board in 1992, and has served on the Dental Examiners Board continuously since his appointment.

At all relevant times to this matter, Respondent was a member of the Dental Examiners Board.

COUNT 1

Failure to Timely File a 2001 Annual Statement of Economic Interests

Under the provisions of the Department's conflict of interest code, a member of the Dental Examiners Board is a designated employee, and therefore required to file an annual statement of economic interests for each year that he or she remains in office, by April 1st of the following year, unless April 1st falls on a Saturday, Sunday, or official holiday, in which case the filing deadline is extended to the next regular business day.⁴ As such, Respondent Ronald Bullard was required to file a 2001 annual statement of economic interests by April 2, 2002, because April 1st fell on a holiday that year.

According to the records maintained by the SEI Unit of the FPPC's Technical Assistance Division (the "SEI Unit"), Respondent failed to file a 2001 annual statement of economic interests by the April 2, 2002 due date.

On June 10, 2002, Emily Bowden, of the SEI Unit, sent a letter to Respondent, advising him that his 2001 annual statement of economic interests was past due, and requesting that it be filed within 30 days. On July 22, 2002, Ms. Bowden sent another letter to Respondent, advising him that his 2001 annual statement of economic interests remained past due, and requesting that it be filed within ten days. The letter further advised Respondent that the matter would be referred to the FPPC's Enforcement Division, if the delinquent statement was not received

⁴ Regulation 18116.

within ten days.

When the statement was not filed in response to her written notices, Ms. Bowden referred the matter to the Enforcement Division.

According to investigative records maintained by the Enforcement Division, on October 20, 2002, Ms. Kvasager, the SEI Coordinator for the Enforcement Division, contacted Respondent by telephone, advising him that his 2001 annual statement of economic interests was past due, and instructing him to file the statement immediately.

Records maintained by the SEI Unit establish that Respondent has not filed his 2001 annual statement of economic interests.

By failing to file a 2001 annual statement of economic interests by the April 2, 2002 due date, Respondent violated section 87300.

COUNT 2

Failure to Timely File a 2002 Annual Statement of Economic Interests

Under the provisions of the Department's conflict of interest code, Respondent was required to file a 2002 annual statement of economic interests by April 1, 2003.

According to the records maintained by the SEI Unit, Respondent failed to file a 2002 annual statement of economic interests by the April 1, 2003 due date.

On June 20, 2003, Emily Bowden, of the SEI Unit, sent a letter to Respondent, advising him that his 2002 annual statement of economic interests was past due, and requesting that it be filed within 30 days. On July 30, 2003, Ms. Bowden sent another letter to Respondent, advising him that his 2002 annual statement of economic interests remained past due, and requesting that it be filed within ten days. The letter further advised Respondent that the matter would be referred to the Enforcement Division, if the delinquent statement was not received within ten days.

Records maintained by the SEI Unit establish that Respondent has not filed his 2002 annual statement of economic interests.

By failing to file a 2002 annual statement of economic interests by the April 1, 2003 due date, Respondent violated section 87300.

CONCLUSION

This matter consists of two counts of violating section 87300, which carries a maximum administrative penalty of Ten Thousand Dollars (\$10,000). Because Respondent has failed to bring himself into compliance with the Act, this matter was not handled under the SEI Expedited Procedures adopted by the FPPC in July 1999.

The administrative penalty for SEI filing violations resolved outside of the SEI Expedited Procedures program historically has been determined on a case-by-case basis, considering the aggravating and mitigating factors present. In this case, Respondent has not filed his delinquent 2001 and 2002 annual statements, and has failed to respond to the Enforcement Division's attempts to resolve the matter. Therefore, a penalty that reflects the aggravating factors of the case, as well as Respondent's continuing non-compliance with the Act, is appropriate.

Accordingly, imposition of an administrative penalty of Two Thousand Dollars (\$2,000) for each violation for a total administrative penalty in the amount of Four Thousand Dollars (\$4,000) is appropriate.